

Questionnaire Q199

Remedies to protect the right of clients against forcible disclosure of their IP professional advice

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National Group: Brazil

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1. Q.199 - Questionnaire

The Groups are asked to reply to the following questions in the context of what applies or what they may consider ought to apply in their own country or by agreement between their country and others, as may be appropriate to the particular question. The responses of each Group need to be endorsed by that Group. It will be helpful and appreciated if the Groups follow the order of the questions in their reports and use the questions and numbers for their responses.

Present position

Local position

- 1.1 What protection of clients against forcible disclosure of communications relating to IP professional advice applies in your country as to such communications between clients and IP professionals within your country? When was this protection introduced into your law?

The main protection against forcible disclosure of IP Professional Advice is the Professional Code of Conduct and Ethics of the Industrial Property Agent, established by the Brazilian Trademark and Patent Institute (hereinafter, "INPI") by Resolution number 195/08, published December 9th, 2008. The Resolution was enacted due to article 4 of Decree-Law n. 8,933 of January 26, 1946 and Ordinance n. 32 of March 19, 1998.

Although the Professional Code of Conduct is not a Federal Statute, it is able to provide argument for an Industrial Property Agent against forcible disclosure of IP Professional Advice based on article 5th, X and XIV from the Brazilian Federal Constitution; as well as article 347, II and sole paragraph; article 363, IV; and article 406, II, all from the Brazilian Code of Civil Procedure. These provisions state, generally that one may excuse himself to present evidence in Court if such evidence will disclose facts that by profession it should be kept secret.

Please note that Brazil, as a Civil Law Country, has few and limited forcible disclosure procedures and the Professional Confidentiality exception/protection is applicable to all of them. It is important to stress that the information is considered confidential based on the status of the professional (i.e. only the professional advice between client and the IP professional is deemed confidential), not on the quality of information.

The fact that the information itself is not considered in order to establish its confidentiality the discussion of 'dominant purpose' is not applicable under the Brazilian Legal System.

- 1.2 What protection of clients against forcible disclosure of communications relating to IP professional advice applies in your country as to such communications between clients and third parties (such as technical experts) where their advice is required to enable legal advice related to IP to be obtained and given?

There is no protection against forcible disclosure of such communications but for a professional confidentiality protection arising from the professional status of such third party.

- 1.3 What protection of clients against forcible disclosure of communications relating to IP professional advice applies as to such communications between IP professionals and third parties (such as technical experts) where their advice is required to enable IP legal advice to be obtained and given?

There is no protection against forcible disclosure of such communications but for a professional confidentiality protection arising from the professional status of such third party.

Overseas communications

- 1.4 What protection of clients applies in your country against forcible disclosure of communications relating to IP professional advice where those communications are (a) between their local IP professionals in your country and overseas IP professionals, and (b) between clients and overseas IP professionals ?

Within the few situations of forcible disclosure in Brazil, it is likely that IP Professionals shall present an exception based on professional confidentiality in the first premise of the question (between their local IP professional and overseas IP professionals); and,

concerning the second premise, the protection against forcible disclosure of an IP Professional Advice from overseas IP professionals will be based on the qualification of such communication by the law of the country in which the Professional Advice was given. The local provisions concerning the professional confidentiality will be likely applied by a Brazilian Court of Justice. Therefore, the same situation would be considered in both hypothesis, but the first would be based on the protection provided by the Brazilian law, and the second will depend on the protection granted by the foreign law (if available).

Scope of protection – qualifications of IP professional advisers

1.5 As to each of the following sub-paragraphs (i) to (iv) inclusive, to what category or categories (eg lawyer, lawyer/patent attorney, non lawyer patent attorney, lawyer/trade marks attorney, non lawyer trade marks attorney etc) of IP professional adviser does the client protection described in your answer to previous questions denoted below, apply or not apply, including whether your answers apply only to external advisers, or also to in-house advisers?

- (i) as to 1.1. ie the protection (if any) of clients against forcible disclosure of communications relating to IP professional advice which applies in your country as to such communications between clients and IP professionals within your country?

The protection of clients against forcible disclosure of communications related to IP Professional Advice, as mentioned in item 1.1, must be considered applicable to industrial property agents (i.e. non lawyer patent and trademark attorneys). Please note that any professional advice from a lawyer (either external or in-house) must be considered privileged, based on a different statute (Law n. 8.906/94).

- (ii) as to 1.2 ie the protection (if any) of clients against forcible disclosure of communications relating to IP professional advice which applies in your country as to such communications between clients and third parties (such as technical experts) where their advice is required to enable legal advice related to IP to be obtained and given?

The protection will depend on the professional status of such third party.

- (iii) as to 1.3 ie the protection (if any) of clients against forcible disclosure of communications relating to IP professional advice which applies as to such communications between IP professionals and third parties (such as technical experts) where their advice is required to enable IP legal advice to be obtained and given?

The protection will depend on the professional status of such third party.

- (iv) as to 1.4 ie the protection (if any) of clients which applies in your country against forcible disclosure of communications relating to IP professional advice as to those communications which are (a) between their local IP professionals in your country and overseas IP professionals, and (b) between the clients and overseas IP professionals?

Local IP Professionals could be industrial property agents (i.e. non lawyer patent and trademark attorneys) or lawyers in order to claim a protection against forcible disclosure of IP professional advice. Overseas IP professionals would likely depend on the protection of their countries (see item 1.4).

Limitations and exceptions

1.6 What limitations (eg dominant purpose test, judges' discretion to do justice etc) and/or exceptions (eg crime/fraud etc) and/or waivers apply to the protection described in your answers to previous questions denoted below?

- (i) as to 1.1 ie the protection (if any) of clients against forcible disclosure of communications relating to IP professional advice which applies in your country as to such communications between clients and IP professionals within your country?

The limitations would be a crime-fraud exception (see Brazilian Supreme Court, HC 94173, Judge Min. Celso de Mello, 2nd Chamber, October 10, 2009; and Brazilian Superior Court of Justice, RHC 22.200/SP, Judge Min. Arnaldo Esteves Lima, 5th Chamber, March 9, 2010), or a life threatening situation (INPI Resolution 195/08).

- (ii) as to 1.2 ie the protection (if any) of clients against forcible disclosure of communications relating to IP professional advice which applies in your country as to such communications between clients and third parties (such as technical experts) where their advice is required to enable legal advice related to IP to be obtained and given?

As the protection will depend on the professional status of such third party, if there is a limitation it will be the same as the preceding item.

- (iii) as to 1.3 ie the protection (if any) of clients against forcible disclosure of communications relating to IP professional advice which applies as to such communications between IP professionals and third parties (such as technical experts) where their advice is required to enable IP legal advice to be obtained and given?

As the protection will depend on the professional status of such third party, if there is a limitation it will be the same as the preceding items.

- (iv) as to 1.4 ie the protection (if any) of clients which applies in your country against forcible disclosure of communications relating to IP professional advice where those communications are (a) between their local IP professionals in your country and overseas IP professionals, and (b) between the clients and overseas IP professionals?

As mentioned, there is an exception concerning information used in a criminal activity (crime-fraud exception) and in life threatening situations. As also mentioned, although there is no case law regarding this issue in Brazil, it is likely that the confidentiality concerning privileged information related to foreign IP professionals will be treated according its own local regulations.

Quality of protection

Local communications

- 1.7 Does your Group consider that the protection described in answer to questions denoted below is of appropriate quality, or not, and if not, why not – including what are the problems in practice?

The protection available, although useful and sufficient whenever considered the limited situations of forcible disclosure under Brazilian Law, could be threatening to clients under a common law disclosure proceeding. The situation is specially aggravated when there is an intervention of third parties in the “IP Advice” process.

Moreover, the Brazilian Group considers that the protection is not appropriate due to the limitation of qualification of IP Advisers (lawyers and industrial property agents) and not embracing third parties that could not be qualified to provide “intellectual property advice”, but could provide essential information to the “intellectual property adviser” reaches his conclusions (and protected advice). Such a breach could not persist as it will jeopardize the aimed protection.

This answer is applicable to the items bellow.

- (i) as to 1.1 ie the protection of clients against forcible disclosure of communications relating to IP professional advice which applies in your country as to such communications between clients and IP professionals within your country?
- (ii) as to 1.2 ie the protection of clients against forcible disclosure of communications relating to IP professional advice which applies in your country as to such communications between clients and third parties (such as technical experts) where their advice is required to enable legal advice related to IP to be obtained and given?
- (iii) as to 1.3 ie the protection of clients against forcible disclosure of communications relating to IP professional advice which applies as to such communications between IP professionals and third parties (such as technical experts) where their advice is required to enable IP legal advice to be obtained and given?

Communications with overseas IP advisers

- 1.8 Does your Group consider that the protection described in answer to question 1.4 above is of appropriate quality or not, and if not, why not – what are the problems in practice?

There is no information (or case law) sufficient to provide analysis or opinion of this situation.

2. Remedies

The 'device' to be agreed and applied within and between countries

The Working Guidelines indicate that such a 'device' could be on a scale between unilateral changes and treaties. However, unilateral changes will not solve the problem that no country is immune from the potential that IP legal advice which is protected from disclosure within its own borders, will be required to be disclosed in another country or countries (see para 2.4 (viii)). The Groups are requested to focus on the standard or principle required to remedy problems nationally and internationally (see para 4.6).

Limitations

Tests such as the 'dominant purpose' test.

- 2.1 Does your Group agree that provision should be made in the agreed principle or standard that countries may limit the documents to which protection applies in their country to such standard or by such test as defines what relationship is required between the documents and the IP legal advice for which protection from disclosure is claimed?

The Brazilian Group considers that IP legal advice should be broadly considered, therefore a test or limitation should not be considered.

- 2.2 As to your answer to 2.1 (bearing in mind that it would not be mandatory for any country to have such a limitation), why?

IP legal advices embraces advices in many areas (technical and legal) being difficult to one foresees clearly and objectively possible limitations or tests. Such limitations would bring undesirable uncertainty and possibly breaches to access protected (or confidential) information.

Judicial discretion to deny protection

- 2.3 Does your Group agree (as para 2.7 of the Working Guidelines suggests) that provision should be made in the agreed principle or standard, that countries may allow judicial discretion to deny protection from disclosure where that is found on reasonable grounds to be required in order to enable the court to do justice between the parties?

This issue would not be applicable within the Brazilian Legal System, however the Brazilian Group does not agree that any provision should allow judicial discretion.

- 2.4 As to your answer to 2.3 (bearing in mind that it would not be mandatory for any country to have such a limitation), why?

Not only public facts and IP rights themselves could provide adequate elements to assess the particulars of a case, but certainty is an essential element to any system.

- 2.5 If your Group considers that the limitation in relation to judicial discretion would be acceptable if expressed differently from 2.3, how would you express it?

Not applicable, as a broad judicial discretion would not be allowed within the Brazilian Legal System.

Qualifications required of IP advisers

- 2.6 Does your Group agree (as para 4.14 of the Working Guidelines suggests) that the standard required by the principle agreed should be no more than requiring the IP adviser 'to be qualified to give the IP advice in relation to which the question arises, in the country in which the advice is given'?

The Brazilian Group understands that any person that provides a relevant information within an "IP Legal Advice" should be considered an "IP Legal Adviser".

- 2.7 If your answer to 2.6 is no, if your Group considers that the limitation would be acceptable if differently expressed, how would you express it?

Please, see the previous answer.

- 2.8 If for some category of IP adviser in your country, no qualification is required –

The main "category" of IP Adviser is the "Industrial Property Agent" professionals and this category, but for a public admission exam, requires no previous technical qualification or background. However, it is likely that third party orientation, such as the provided by experts in any area of knowledge, used by "IP Advisers" should be protected.

As mentioned, if a third party expert has no professional confidentiality this situation could be a breach in the protection chain. This answer applies to the following items (i), (ii) and (iii).

- (i) What category is that?
- (ii) Do you think that protection from forcible disclosure of IP professional advice should apply to communications relating to the advice between clients and persons in that category?
- (iii) As to your answer to sub-para (ii), why?

Scope of protection against forcible disclosure – the differences between lawyer-client privilege and litigation privilege

- 2.9 Does your Group agree in principle (para 4.25 of the Working Guidelines raises this question) that the standard or principle agreed should allow countries to limit the protection they provide according to categories of privilege which are currently part of their law?

The Brazilian Group considers that countries should limit the protection they provide according to categories of privilege which are currently part of their law.

- 2.10 If no to 2.9 (bearing in mind that such a limitation would not import any effect on a country that does not already have such a limitation unless it voluntarily adopted such a limitation), why?

Not applicable.

- 2.11 As to any country which applies a limitation referred to in para 2.9, do you agree that the agreed standard or principle should not deny such a country the right to vary or abolish such a limitation should it wish to do so in the future – in other words, there should be liberty to vary or abolish a presently applied limitation?

Not applicable.

- 2.12 If yes to 2.11, what limitation (if any) should apply to the liberty to vary or abolish a previously applied limitation and how would you express it?

Not applicable.

Exceptions and waivers

- 2.13 Does your Group agree in principle (para 4.30 of the Working Guidelines suggests this) that the standard or principle agreed should in any particular country be subject to any exception (such as the crime-fraud exception) and waivers which are already part of the law of that country.

Yes. The Brazilian Group agrees that the standard or principle should be subject to crime-fraud exception in order to validate the concept of the privileged information itself.

- 2.14 Assuming that the maintenance of exceptions and waivers already part of the law of any country is accepted in AIPPI, does your Group agree that the allowance of existing exceptions and waivers should not deny any country the right to vary or to abolish any such an exception or waiver should it wish to do so in the future, in other words, that there should be liberty to vary or abolish a presently applied exception or waiver?

The Brazilian Group agrees that a country should have the right to vary or to abolish any exception.

- 2.15 If yes to 2.14, what limitation (if any) should apply to the liberty to vary or abolish a previously applied exception or waiver and how would you express it, in particular should e.g. the limitation for the “3-point-exception” as discussed in para 4.28 above also set limits in this case?

The “3-point-exception” could be a limitation.

- 2.16 Since the introduction of protection against forcible disclosure of IP professional advice in your country, have you experienced any adverse effects including as reported in case law or known empirically, from that introduction - if so, what are the details?

There is no case law concerning any forcible disclosure of IP professional advice that the Brazilian Group is aware.

The AIPPI proposal compared with the alternative described in Section 5 above

- 2.17 Leaving aside the potential need to provide for limitations and exceptions in relation to the AIPPI proposal, and assuming there are no other proposals, from the Groups as an alternative to the AIPPI proposal, which of these two proposals (the AIPPI and the alternative in Section 5 above), does your Group prefer and if so why?

The AIPPI proposal would be preferable. However, as mentioned, a broader definition of “intellectual property adviser” could be considered.

Proposals from your Group

- 2.18 Assuming that your Group would prefer a proposal different from those proposed by AIPPI or in Section 5, please describe the preferred proposal of your Group.

Not applicable.

- 2.19 The Groups are invited to submit any further comments they might have with regard to the principles of remedies in the context of this Questionnaire, which have not been dealt with or mentioned specifically in the Questionnaire.

Not applicable.

- 2.20 With the introduction of protection against forcible disclosure of IP professional advice or any other remedy as discussed above into your national law, do you expect any adverse effects on your national law, the patent system as such or any other? If so, what are the details?

Not applicable.